

## 2.C Medicare: History of Provisions

Table 2.C1.—Medicare cost sharing and premium amounts, 1966-96

Beginning <sup>1</sup> —	Hospital Insurance				Supplementary Medical Insurance					
	All expenses in "benefit period" covered except—				Monthly premium <sup>2</sup>	Annual deductible	Coinsurance (in percents)	Monthly premium		
	Inpatient hospital deductible (IHD) covers first 60 days	Inpatient hospital daily coinsurance		Skilled-nursing facility daily coinsurance after 20 days (1/8 X IHD)				For enrollee (aged and disabled)	Government amounts for—	
		61st through 90th days (1/4 X IHD)	Lifetime reserve days after 90 days (1/2 X IHD)						Aged	Disabled <sup>3</sup>
July 1966 .....	\$40	\$10	(4)	(4)	...	\$50	20	\$3.00	\$3.00	...
1967 .....	40	10	(4)	\$5.00	...	50	20	3.00	3.00	...
1968 .....	40	10	20	5.00	...	<sup>5</sup> 50	<sup>5</sup> 20	<sup>6</sup> 4.00	<sup>6</sup> 4.00	...
1969 .....	44	11	22	5.50	...	50	20	4.00	4.00	...
1970 .....	52	13	26	6.50	...	50	20	5.30	5.30	...
1971 .....	60	15	30	7.50	...	50	20	5.60	5.60	...
1972 .....	68	17	34	8.50	...	50	20	5.80	5.80	...
1973 .....	72	18	36	9.00	\$33	60	<sup>7</sup> 20	<sup>8</sup> 6.30	6.30	\$22.70
1974 .....	84	21	42	10.50	36	60	20	6.70	6.70	29.30
1975 .....	92	23	46	11.50	40	60	20	6.70	8.30	30.30
1976 .....	104	26	52	13.00	45	60	20	7.20	14.20	30.80
1977 .....	124	31	62	15.50	54	60	20	7.70	16.90	42.30
1978 .....	144	36	72	18.00	63	60	20	8.20	18.60	41.80
1979 .....	160	40	80	20.00	69	60	20	8.70	18.10	41.30
1980 .....	180	45	90	22.50	78	60	20	9.60	23.00	41.40
1981 .....	204	51	102	25.50	89	<sup>9</sup> <sup>10</sup> 60	<sup>10</sup> 20	11.00	34.20	62.20
1982 .....	260	65	130	32.50	113	75	<sup>11</sup> 20	12.20	37.00	72.00
1983 .....	304	76	152	38.00	113	75	20	12.20	41.80	80.00
Jan. 1984 .....	356	89	178	44.50	155	75	20	14.60	43.80	94.00
1985 .....	400	100	200	50.00	174	75	20	15.50	46.50	89.90
1986 .....	492	123	246	61.50	214	75	20	15.50	46.50	66.10
1987 .....	520	130	260	65.00	226	75	20	17.90	53.70	88.10
1988 .....	540	135	270	67.50	234	75	20	24.80	74.40	72.40
1989 .....	<sup>12</sup> 560	(12)	(12)	<sup>13</sup> 25.50	156	75	20	<sup>14</sup> 31.90	83.70	40.70
1990 .....	592	148	296	74.00	175	75	20	<sup>15</sup> 28.60	85.40	59.20
1991 .....	628	157	314	78.50	177	100	20	29.90	95.30	82.10
1992 .....	652	163	326	81.50	192	100	20	31.80	89.80	129.80
1993 .....	676	169	338	84.50	221	100	20	36.60	104.40	129.20
1994 .....	696	174	348	87.00	<sup>16</sup> 245	100	20	41.10	82.50	111.10
1995 .....	716	179	358	89.50	<sup>16</sup> 261	100	20	46.10	100.10	165.50
1996 .....	736	184	368	92.00	<sup>16</sup> 289	100	20	<sup>17</sup> 42.50	127.30	167.70

<sup>1</sup> The HI and SMI deductible and coinsurance amounts begin in January unless otherwise noted. The HI and SMI monthly premium amounts were effective in July through 1983. Monthly premium amounts begin in January in 1984 and succeeding years.

<sup>2</sup> Premium paid for voluntary participation of individual aged 65 or older not otherwise entitled to hospital insurance.

<sup>3</sup> Beginning in July 1973 for the disabled.

<sup>4</sup> Benefit not provided.

<sup>5</sup> Professional inpatient services of pathologists and radiologists not subject to deductible or coinsurance, beginning in April 1968.

<sup>6</sup> Beginning in April 1968.

<sup>7</sup> Home health services not subject to coinsurance.

<sup>8</sup> Monthly premium for July and August 1973 was reduced to \$5.80 and \$6.10, respectively, by the Cost of Living Council.

<sup>9</sup> Home health services not subject to deductible.

<sup>10</sup> Same as footnote 5, but only when physician accepts assignment.

<sup>11</sup> Effective Oct. 1, 1982, professional inpatient services of pathologists and radiologists are subject to coinsurance.

<sup>12</sup> For 1989, once the annual deductible had been paid by the beneficiary, Medicare paid the balance of expenses for covered hospital services regardless of the number of days of hospitalization.

<sup>13</sup> For 1989, the beneficiary paid a coinsurance amount for the first 8 days of care. This coinsurance amount was equal to 20 percent of the estimated national average daily cost of covered SNF care.

<sup>14</sup> Includes the standard monthly SMI premium and a supplemental monthly flat premium under the Medicare Catastrophic Coverage Act of 1988. Amount shown is for most Part B enrollees. Residents of Puerto Rico and other territories and commonwealths, as well as persons enrolled in Part B only, paid different supplemental flat premiums resulting in a smaller premium than that shown.

<sup>15</sup> The Omnibus Budget Reconciliation Act of 1989 revised the methodology for determining the 1990 SMI premium. Before the revision the rate would have been \$29.00.

<sup>16</sup> For individuals and their spouses with at least 30 quarters of Social Security coverage, the premium is \$184 monthly (OBRA 1993 legislation) for 1994, \$183 for 1995, and \$188 for 1996.

<sup>17</sup> Due to pending legislation in Congress, the \$42.50 premium may increase.